Hospitals Turn To 'Flex' Outpatient Hospital-At-Home Models Amid Program Lapse

Oct 30, 2025, 2:09 PM EDT (Inside Health Policy)

Hospitals are leaning into "flex" outpatient hospital-at-home models to continue caring for patients after services were disrupted by a lapse in the CMS Acute Hospital Care at Home (AHCAH) program Oct. 1.

According to data from the Hospital at Home Users Group, first shared with *Becker's*, 23% of 140 surveyed hospital-at-home programs, or roughly 32, shifted all or part of care to outpatient models following the government shutdown on Oct. 1.

But health system leaders say the outpatient models should complement -- not replace - inpatient models that hinge on a congressional reauthorization of the AHCAH program.

"My hope is, and strong belief is, where we are going to be in five, 10, 20 years is an 'and world' where we're operating both an inpatient hospital-at-home model as well as an outpatient or flex" model, said Taki Michaelidis, hospital-at-home medical director for UMass Memorial Health, during a webinar last Thursday (Oct. 23).

Several health system leaders say both models are vital because their outpatient ones are focused on providing hospital-at-home care for discharged patients, while their inpatient ones are focused on preventing hospital admissions altogether.

Lawmakers are expected to move forward on a health package after they end the government shutdown, but it's unclear how long such a package might extend the AHCAH program and expired Medicare telehealth flexibilities.

A telehealth lobbyist told *Inside Health Policy* Monday (Oct. 27) they see the odds that lawmakers pass a long-term AHCAH extension, either through a continuing resolution or a separate Trump-backed health care deal, growing the longer the government shutdown continues. But lawmakers on Capitol Hill have not been focused on the AHCAH program or Medicare telehealth flexibilities in recent weeks, they added.

Before the government shutdown, House Ways & Means Committee lawmakers advanced a five-year extension of AHCAH waivers through a standalone bill, which is another possible legislative vehicle for the CMS program. But that bill hasn't been taken up by the House or Senate.

Amid the policy uncertainty, health systems like UMass Memorial Health are exploring outpatient hospital-at-home models that are not dependent on AHCAH waivers.

"We are working through the compliance, regulatory and billing issues around the outpatient flex model, which, of course, we believe are surmountable," said Michaelidis during the webinar.

Michaelidis later told *IHP* the health system is considering "what should and shouldn't be billed to payers/patients in the outpatient flex model ... while also wanting to design a program that would be acceptable and understandable to patients as it pertains to their copays."

Because UMass Memorial Health did not have an outpatient model in place when the AHCAH program expired, the central Massachusetts health system stopped accepting inpatients to its hospital-at-home program, wound down its census and redeployed staff, explained Michaelidis during the webinar.

With more inpatients now boarding in the health system's UMass Memorial Medical Center (UMMMC) emergency department and in hallway beds, "we are less able to accept high-acuity/complex transfers from our community hospitals in our health system to our UMMMC campus because our UMMMC brick/mortar hospital is too full," Michaelidis told *IHP*.

Contrastingly, some health systems that had outpatient models when the AHCAH program expired have been able to continue at-home care for patients.

The week before the AHCAH program lapsed, Advocate Health, a multi-state health system, peaked at 162 hospital-at-home patients in its North Carolina hospitals, about 80% of whom received inpatient care and 20% of whom received outpatient care.

After the program expired, the health system moved from that inpatient-outpatient mix to a fully outpatient model and serves about 140 hospital-at-home patients, said Dan Davis, Advocate Health's senior medical director of primary care and continuing health, during the webinar last Thursday.

Health system leaders say they like outpatient models because of their flexibility compared to inpatient models tied to the AHCAH program.

For example, the AHCAH program requires participating hospitals to provide two inperson visits by clinicians each day of service and a daily physician visit that may be virtual or in person, according to the Medicare Payment Advisory Commission.

Allina Health, a Minneapolis-based nonprofit health system, however, conducts daily clinician visits for the first two days of at-home care and as needed afterward through an outpatient model, according to slides presented at a Tuesday (Oct. 28) Hospital at Home Users Group webinar.

Through the outpatient model, Allina Health allows patients to self-administer medications that they either previously had or have received from an outpatient pharmacy, said Katie Westman, the health system's director of clinical programming, continuing care during the Tuesday webinar.

That's different from the health system's waiver-dependent inpatient model, where medication is delivered to patients' homes and is supervised by a clinician either inperson or via video, the slides noted.

Despite the advantage of outpatient models, health system leaders say they see a need for outpatient models to co-exist with inpatient models.

"We want to move those patients within the first 24 hours of their entrance into the [emergency department] or the brick-and-mortar setting. And so, if we can identify, stabilize and move a patient within those first 24 hours and they meet inpatient criteria, we'll utilize the waiver," explained Westman.

But "if they go beyond that, then we really look at that discharge alternative," which is the purpose of the outpatient model at Allina Health, she explained.

"If I can get the patient into the hospital-at-home program from the start, that makes a lot of sense. So that's where I like the inpatient program. Otherwise, let's keep that patient, get them stabilized and discharge them" through the outpatient program, said Colin Findlay, associate chief medical officer at Sentara Norfolk General Hospital, during the Tuesday webinar.

Outpatient models generally depend on a mix of fee-for-service models, value-based care models and contracts with multiple payers, health system leaders explained during the Thursday and Tuesday webinars.